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इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed as a separate compilation.

LOK SABHA

The following Bills were introduced in Lok Sabha on 24th February, 2015:—

BILL NO. 18 OF 2015

A Bill further to amend the Mines and Minerals (Development and Regulation) Act, 1957.

BE it enacted by Parliament in the Sixty-sixth Year of the Republic of India as follows:—

1. (1) This Act may be called the Mines and Minerals (Development and Regulation) Amendment Act, 2015.

Short title and
commencement.

(2) It shall be deemed to have come into force on the 12th day of January, 2015.

Amendment of section 3.	<p>2. In the Mines and Minerals (Development and Regulation) Act, 1957 (hereinafter referred to as the principal Act), in section 3,—</p> <p>(i) after clause (e), the following clause shall be inserted, namely:—</p> <p>‘(ea) “notified minerals” means any mineral specified in the Fourth Schedule;’;</p> <p>(ii) after clause (g), the following clause shall be inserted, namely:—</p> <p>‘(ga) “prospecting licence-cum-mining lease” means a two stage concession granted for the purpose of undertaking prospecting operations followed by mining operations;’;</p> <p>(iii) in clause (hb), the word “and”, occurring at the end, shall be omitted;</p> <p>(iv) after clause (hb), the following clause shall be inserted, namely:—</p> <p>‘(hc) “Special Court” means a Court of Session designated as Special Court under sub-section (I) of section 30B; and’.</p>	67 of 1957.
Amendment of section 4.	<p>3. In section 4 of the principal Act, in the second proviso to sub-section (I), for the words and figures “section 617 of the Companies Act, 1956”, the words, brackets and figures “clause (45) of section 2 of the Companies Act, 2013, and any such entity that may be notified for this purpose by the Central Government” shall be substituted.</p>	1 of 1956. 18 of 2013.
Amendment of section 4A.	<p>4. In section 4A of the principal Act, in sub-section (4), for the provisos, the following provisos shall be substituted, namely:—</p> <p>“Provided that the State Government may, on an application made by the holder of such lease before it lapses and on being satisfied that it will not be possible for the holder of the lease to undertake mining operations or to continue such operations for reasons beyond his control, make an order, within a period of three months from the date of receiving of such application, subject to such conditions as may be prescribed, to the effect that such lease shall not lapse:</p> <p>Provided further that such lease shall lapse on failure to undertake mining operations or inability to continue the same before the end of a period of six months from the date of the order of the State Government:</p> <p>Provided also that the State Government may, on an application made by the holder of a lease submitted within a period of six months from the date of its lapse and on being satisfied that such non-commencement or discontinuance was due to reasons beyond the control of the holder of the lease, revive the lease within a period of three months from the date of receiving the application from such prospective or retrospective date as it thinks fit but not earlier than the date of lapse of the lease:</p> <p>Provided also that no lease shall be revived under the third proviso for more than twice during the entire period of the lease.”.</p>	
Amendment of section 5.	<p>5. In section 5 of the principal Act,—</p> <p>(A) in sub-section (I),—</p> <p>(i) in clause (a), for the words, brackets and figures “sub-section (I) of section 3 of the Companies Act, 1956”, the words, brackets and figures “clause (20) of section 2 of the Companies Act, 2013” shall be substituted;</p> <p>(ii) for the proviso, the following proviso shall be substituted, namely:—</p> <p>“Provided that in respect of any mineral specified in Part A and Part B of the First Schedule, no reconnaissance permit, prospecting licence or mining lease shall be granted except with the previous approval of the Central Government.”;</p>	1 of 1956. 18 of 2013.

(B) in sub-section (2),—

(i) for clause (a), the following clause shall be substituted, namely:—

“(a) there is evidence to show the existence of mineral contents in the area for which the application for a mining lease has been made in accordance with such parameters as may be prescribed for this purpose by the Central Government;”;

(ii) after clause (b), the following proviso shall be inserted, namely:—

“Provided that a mining lease may be granted upon the filing of a mining plan in accordance with a system established by the State Government for preparation, certification, and monitoring of such plan, with the approval of the Central Government.”.

6. In section 6 of the principal Act, in sub-section (1), in clause (b), for the proviso, the following proviso shall be substituted, namely:—

Amendment of section 6.

“Provided that if the Central Government is of the opinion that in the interest of the development of any mineral or industry, it is necessary so to do, it may, for reasons to be recorded in writing, increase the aforesaid area limits in respect of prospecting licence or mining lease, in so far as it pertains to any particular mineral, or to any specified category of deposits of such mineral, or to any particular mineral located in any particular area.”.

7. For section 8 of the principal Act, the following section shall be substituted, namely:—

Substitution of new section for section 8.

“8. (1) The provisions of this section shall apply to minerals specified in Part A of the First Schedule.

Periods for which mining leases may be granted or renewed.

(2) The maximum period for which a mining lease may be granted shall not exceed thirty years:

Provided that the minimum period for which any such mining lease may be granted shall not be less than twenty years.

(3) A mining lease may be renewed for a period not exceeding twenty years with the previous approval of the Central Government.”.

8. After section 8 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 8A.

“8A. (1) The provisions of this section shall apply to minerals other than those specified in Part A and Part B of the First Schedule.

Period of grant of a mining lease for minerals other than coal, lignite and atomic minerals.

(2) On and from the date of the commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, all mining leases shall be granted for the period of fifty years.

(3) All mining leases granted before the commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015 shall be deemed to have been granted for a period of fifty years.

(4) On the expiry of the lease period, the lease shall be put up for auction as per the procedure specified in this Act.

(5) Notwithstanding anything contained in sub-sections (2), (3) and sub-section (4), the period of lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, where mineral is used for captive purpose, shall be extended and be deemed to have been extended up to a period ending on the 31st March, 2030 with effect from the date of expiry of the period of renewal last made or till the completion of renewal period, if any,

or a period of fifty years from the date of grant of such lease, whichever is later, subject to the condition that all the terms and conditions of the lease have been complied with.

(6) Notwithstanding anything contained in sub-sections (2), (3) and sub-section (4), the period of lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, where mineral is used for other than captive purpose, shall be extended and be deemed to have been extended up to a period ending on the 31st March, 2020 with effect from the date of expiry of the period of renewal last made or till the completion of renewal period, if any, or a period of fifty years from the date of grant of such lease, whichever is later, subject to the condition that all the terms and conditions of the lease have been complied with.

(7) Any holder of a lease granted, where mineral is used for captive purpose, shall have the right of first refusal at the time of auction held for such lease after the expiry of the lease period.

(8) Notwithstanding anything contained in this section, the period of mining leases, including existing mining leases, of Government companies or corporations shall be such as may be prescribed by the Central Government.

(9) The provisions of this section, notwithstanding anything contained therein, shall not apply to a mining lease granted before the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, for which renewal has been rejected, or which has been determined, or lapsed. ”.

Insertion of
new sections
9B and 9C.

9. After section 9A of the principal Act, the following sections shall be inserted, namely:—

District
Mineral
Foundation.

“9B. (1) In any district affected by mining related operations, the State Government shall, by notification, establish a trust, as a non-profit body, to be called the District Mineral Foundation.

(2) The object of the District Mineral Foundation shall be to work for the interest and benefit of persons, and areas affected by mining related operations in such manner as may be prescribed by the State Government.

(3) The composition and functions of the District Mineral Foundation shall be such as may be prescribed by the State Government.

(4) The holder of a mining lease or a prospecting licence-cum-mining lease shall, in addition to the royalty, pay to the District Mineral Foundation of the district in which the mining operations are carried on, an amount which is equivalent to such percentage of the royalty paid in terms of the Second Schedule, not exceeding one-third of such royalty, as may be prescribed by the Central Government.

National
Mineral
Exploration
Trust.

9C. (1) The Central Government shall, by notification, establish a Trust, as a non-profit body, to be called the National Mineral Exploration Trust.

(2) The object of the Trust shall be to use the funds accrued to the Trust for the purposes of regional and detailed exploration in such manner as may be prescribed by the Central Government.

(3) The composition and functions of the Trust shall be such as may be prescribed by the Central Government.

(4) The holder of a mining lease or a prospecting licence-cum-mining lease shall pay to the Trust, a sum equivalent to two per cent. of the royalty paid in terms of the Second Schedule, in such manner as may be prescribed by the Central Government.”.

10. After section 10 of the principal Act, the following sections shall be inserted, namely:—

Insertion of new sections 10A, 10B, and 10C.

“10A. (1) All applications received prior to the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, shall become ineligible.

Rights of existing concession holders and applicants.

(2) Without prejudice to sub-section (1), the following shall remain eligible on and from the date of commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015:—

(a) applications received under section 11A of this Act;

(b) where before the commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015 a reconnaissance permit or prospecting licence has been granted in respect of any land for any mineral, the permit holder or the licensee shall have a right for obtaining a prospecting licence followed by a mining lease, or a mining lease, as the case may be, in respect of that mineral in that land, if the State Government is satisfied that the permit holder or the licensee, as the case may be, —

(i) has undertaken reconnaissance operations or prospecting operations, as the case may be, to establish the existence of mineral contents in such land in accordance with such parameters as may be prescribed by the Central Government;

(ii) has not committed any breach of the terms and conditions of the reconnaissance permit or the prospecting licence;

(iii) has not become ineligible under the provisions of this Act; and

(iv) has not failed to apply for grant of prospecting licence or mining lease, as the case may be, within a period of three months after the expiry of reconnaissance permit or prospecting licence, as the case may be, or within such further period not exceeding six months as may be extended by the State Government;

(c) where the Central Government has communicated previous approval as required under sub-section (1) of section 5 for grant of a mining lease, or if a letter of intent (by whatever name called) has been issued by the State Government to grant a mining lease, before the commencement of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, the mining lease shall be granted subject to fulfilment of the conditions of the previous approval or of the letter of intent within a period of two years from the date of commencement of the said Act:

Provided that in respect of any mineral specified in the First Schedule, no prospecting licence or mining lease shall be granted under clause (b) of this sub-section except with the previous approval of the Central Government.

10B. (1) The provisions of this section shall not be applicable to cases covered by section 10A or section 17A or to minerals specified in Part A or Part B of the First Schedule or to land in respect of which the minerals do not vest in the Government.

Grant of mining lease in respect of notified minerals through auction.

(2) Where there is inadequate evidence to show the existence of mineral contents of any notified mineral in respect of any area, a State Government may, after obtaining the previous approval of the Central Government, grant a prospecting licence-cum-mining lease for the said notified mineral in such area in accordance with the procedure laid down in section 11.

(3) In areas where the existence of mineral contents of any notified mineral is established in the manner prescribed by the Central Government, the State Government shall notify such areas for grant of mining leases for such notified mineral, the terms and conditions subject to which such mining leases shall be granted, and any other relevant conditions, in such manner as may be prescribed by the Central Government.

(4) For the purpose of granting a mining lease in respect of any notified mineral in such notified area, the State Government shall select, through auction by a method of competitive bidding, including e-auction, an applicant who fulfils the eligibility conditions as specified in this Act.

(5) The Central Government shall prescribe the terms and conditions, and procedure, subject to which the auction shall be conducted, including the bidding parameters for the selection, which may include a share in the production of the mineral, or any payment linked to the royalty payable, or any other relevant parameter, or any combination or modification of them.

(6) Without prejudice to the generality of sub-section (5), the Central Government shall, if it is of the opinion that it is necessary and expedient to do so, prescribe terms and conditions, procedure and bidding parameters in respect of categories of minerals, size and area of mineral deposits and a State or States, subject to which the auction shall be conducted:

Provided that the terms and conditions may include the reservation of any particular mine or mines for a particular end-use and subject to such condition which allow only such eligible end users to participate in the auction.

(7) The State Government shall grant a mining lease to an applicant selected in accordance with the procedure laid down in this section in respect of such notified mineral in any notified area.

Grant of non-exclusive reconnaissance permits.

10C. (1) Non-exclusive reconnaissance permits may be granted in respect of any notified mineral or non-notified mineral or a group of specified minerals, other than minerals specified in Part A or Part B of the First Schedule, subject to such terms and conditions as may be prescribed by the Central Government.

(2) The holder of such non-exclusive reconnaissance permit shall not be entitled to make any claim for the grant of any prospecting licence-cum-mining lease or a mining lease.”.

Substitution of new section for section 11.

11. For section 11 of the principal Act, the following section shall be substituted, namely:—

Grant of prospecting licence-cum-mining lease through auction in respect of minerals other than notified minerals.

“11. (1) The provisions of this section shall not be applicable to cases covered by section 10A or section 17A or to minerals specified in Part A or Part B of the First Schedule or to land in respect of which minerals do not vest in the Government.

(2) In areas where there is evidence to show the existence of mineral contents as required by clause (a) of sub-section (2) of section 5, the State Government shall grant a mining lease for minerals other than notified minerals following the procedure laid down in section 10B.

(3) In areas where there is inadequate evidence to show the existence of mineral contents as required under clause (a) of sub-section (2) of section 5, the State Government shall grant a prospecting licence-cum-mining lease for minerals other than notified minerals in accordance with the procedure laid down in this section.

(4) The State Government shall notify the areas in which prospecting licence-cum-mining leases shall be granted for any minerals other than notified minerals, the terms and conditions subject to which such prospecting licence-cum-mining

leases shall be granted, and any other relevant conditions, in such manner as may be prescribed by the Central Government.

(5) For the purpose of granting prospecting licence-cum-mining leases, the State Government shall select, through auction by method of competitive bidding, including e-auction, an applicant who fulfils the eligibility conditions as specified in this Act.

(6) The Central Government shall prescribe the terms and conditions, and procedure, subject to which the auction shall be conducted, including the bidding parameters for the selection, which may include a share in the production of the mineral, or any payment linked to the royalty payable, or any other relevant parameter, or any combination or modification of them.

(7) Without prejudice to the generality of sub-section (6), the Central Government shall, if it is of the opinion that it is necessary and expedient to do so, prescribe terms and conditions, procedure and bidding parameters in respect of categories of minerals, size and area of mineral deposits and a State or States, subject to which the auction shall be conducted.

(8) The State Government shall grant a prospecting licence-cum-mining lease to an applicant selected in accordance with the procedure laid down in this section.

(9) The holder of a prospecting licence-cum-mining lease shall be required to complete, within the period laid down in section 7, the prospecting operations satisfactorily as specified in the notice inviting applications.

(10) A holder of a prospecting licence-cum-mining lease, who completes the prospecting operation as laid down in sub-section (9) and establishes the existence of mineral contents in the area in conformity with such parameters as may be prescribed for this purpose by the Central Government, shall be required to apply for a mining lease for such area and shall have the right to get the mining lease and thereafter undertake mining operations in accordance with the provisions of this Act.”.

12. After section 11A of the principal Act, the following sections shall be inserted, namely:—

“11B. The Central Government may, by notification in the Official Gazette, make rules for regulating the grant of mining leases or other mineral concessions in respect of minerals specified in Part B of the First Schedule and for purposes connected therewith, and the State Government shall grant a reconnaissance permit, prospecting licence or mining lease in respect of any such mineral in accordance with such rules.

11C. The Central Government may, by notification in the Official Gazette, amend the First Schedule and the Fourth Schedule so as to add or delete any mineral as may be specified in the notification.”.

13. After section 12 of the principal Act, the following section shall be inserted, namely:—

“12A. (1) The provisions of this section shall not apply to minerals specified in Part A or Part B of the First Schedule.

(2) A holder of a mining lease or a prospecting licence-cum-mining lease granted in accordance with the procedure laid down in section 10B or section 11 may, with the

Insertion of new sections 11B and 11C.

Power of Central Government to make rules for regulating atomic minerals specified under Part B of First Schedule.

Power of Central Government to amend First Schedule and Fourth Schedule.

Insertion of new section 12A.

Transfer of mineral concessions.

previous approval of the State Government, transfer his mining lease or prospecting licence-cum-mining lease, as the case may be, in such manner as may be prescribed by the Central Government, to any person eligible to hold such mining lease or prospecting licence-cum-mining lease in accordance with the provisions of this Act and the rules made thereunder.

(3) If the State Government does not convey its previous approval for transfer of such mining lease or prospecting licence-cum-mining lease, as the case may be, within a period of ninety days from the date of receiving such notice, it shall be construed that the State Government has no objection to such transfer:

Provided that the holder of the original mining lease or prospecting licence-cum-mining lease shall intimate to the State Government the consideration payable by the successor-in-interest for the transfer, including the consideration in respect of the prospecting operations already undertaken and the reports and data generated during the operations.

(4) No such transfer of a mining lease or prospecting licence-cum-mining lease, referred to in sub-section (2), shall take place if the State Government, within the notice period and for reasons to be communicated in writing, disapproves the transfer on the ground that the transferee is not eligible as per the provisions of this Act:

Provided that no such transfer of a mining lease or of a prospecting licence-cum-mining lease, shall be made in contravention of any condition subject to which the mining lease or the prospecting licence-cum-mining lease was granted.

(5) All transfers effected under this section shall be subject to the condition that the transferee has accepted all the conditions and liabilities under any law for the time being in force which the transferor was subject to in respect of such a mining lease or prospecting licence-cum-mining lease, as the case may be.

(6) The transfer of mineral concessions shall be allowed only for concessions which are granted through auction.”.

Amendment of
section 13.

14. In section 13 of the principal Act, in sub-section (2),—

(i) after clause (j), the following clause shall be inserted, namely:—

“(jj) parameters of existence of mineral contents under clause (a) of sub-section (2) of section 5;”;

(ii) in clause (qq), the word “and” occurring at the end shall be omitted;

(iii) after clause (qq), the following clauses shall be inserted, namely:—

“(qqa) the amount of payment to be made to the District Mineral Foundation under sub-section (4) of section 9B;

(qqb) the manner of usage of funds accrued to the National Mineral Exploration Trust under sub-section (2) of section 9C;

(qqc) the composition and functions of the National Mineral Exploration Trust under sub-section (3) of section 9C;

(qqd) the manner of payment of amount to the National Mineral Exploration Trust under sub-section (4) of section 9C;

(qqe) the terms and conditions subject to which mining leases shall be granted under sub-section (3) of section 10B;

(qqf) the terms and conditions, and procedure, subject to which the auction shall be conducted including the bidding parameters for the selection under sub-section (5) of section 10B;

(*qqg*) the time limits for various stages in processing applications for grant of mining lease or prospecting licence-cum-mining lease under sections 10B, 11, 11A, 11B, and section 17A, and their renewals;

(*qqh*) the terms and conditions for grant of non-exclusive reconnaissance permits under sub-section (1) of section 10C;

(*qqi*) the terms and conditions for grant of prospecting licence-cum-mining leases under sub-section (4) of section 11;

(*qqj*) the terms and conditions, and procedure, including the bidding parameters for the selection under sub-section (6) of section 11;

(*qqk*) the amount to be payable by a Government company or corporation, or a joint venture for grant of mining lease under sub-section (2C) of section 17A; and”.

15. In section 15 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely:—

Amendment of section 15.

“(4) Without prejudice to sub-sections (1), (2) and sub-section (3), the State Government may, by notification, make rules for regulating the provisions of this Act for the following, namely:—

(a) the manner in which the District Mineral Foundation shall work under sub-section (2) of section 9B;

(b) the composition and functions of the District Mineral Foundation under sub-section (3) of section 9B; and

(c) the amount of payment to be made to the District Mineral Foundation by concession holders of minor minerals under section 15A.”.

16. After section 15 of the principal Act, the following section shall be inserted, namely:—

Insertion of new section 15A.

“15A. The State Government may prescribe the payment by all holders of concessions related to minor minerals of amounts to the District Mineral Foundation of the district in which the mining operations are carried on.”.

Power of State Government to collect funds for District Mineral Foundation in case of minor minerals.

17. In section 17A of the principal Act, after sub-section (2), the following sub-sections shall be inserted, namely:—

Amendment of section 17A.

“(2A) Where in exercise of the powers conferred by sub-section (1A) or sub-section (2), the Central Government or the State Government, as the case may be, reserves any area for undertaking prospecting or mining operations, the State Government shall grant prospecting licence or mining lease, as the case may be, in respect of such area to such Government company or corporation:

Provided that in respect of any mineral specified in Part A and Part B of the First Schedule, the State Government shall grant the prospecting licence or mining lease, as the case may be, only after obtaining the previous approval of the Central Government.

(2B) Where the Government company or corporation is desirous of carrying out the prospecting operations or mining operations in a joint venture with other persons, the joint venture partner shall be selected through a competitive process, and such Government company or corporation shall hold more than seventy-four per cent. of the paid up share capital in such joint venture.

(2C) A mining lease granted to a Government company or corporation, or a joint venture, referred to in sub-sections (2A) and (2B), shall be granted on payment of such amount as may be prescribed by the Central Government.”.

Insertion of
new section
20A.

18. After section 20 of the principal Act, the following section shall be inserted, namely:—

Power of
Central
Government
to issue
directions.

“20A. (1) Notwithstanding anything contained in this Act, the Central Government may issue such directions to the State Governments, as may be required for the conservation of mineral resources, or on any policy matter in the national interest, and for the scientific and sustainable development and exploitation of mineral resources.

(2) In particular, and without prejudice to the generality of the foregoing powers, the Central Government may also issue directions in respect of the following matters, namely:—

(i) improvement in procedure for grant of mineral concessions and to ensure co-ordination among agencies entrusted with according statutory clearances;

(ii) maintenance of internet-based databases including development and operation of a mining tenement system;

(iii) implementation and evaluation of sustainable development frameworks;

(iv) reduction in waste generation and related waste management practices and promotion of recycling of materials;

(v) minimising and mitigating adverse environmental impacts particularly in respect of ground water, air, ambient noise and land;

(vi) ensuring minimal ecological disturbance, in terms of bio-diversity, flora, fauna and habitat;

(vii) promoting restoration and reclamation activities so as to make optimal use of mined out land for the benefit of the local communities; and

(viii) such other matters as may be necessary for the purposes of implementation of this Act.”.

Amendment
of section 21.

19. In section 21 of the principal Act, for sub-sections (1) and (2), the following sub-sections shall be substituted, namely:—

“(1) Whoever contravenes the provisions of sub-section (1) or sub-section (1A) of section 4 shall be punishable with imprisonment for a term which may extend to five years and with fine which may extend to five lakh rupees per hectare of the area.

(2) Any rule made under any provision of this Act may provide that any contravention thereof shall be punishable with imprisonment for a term which may extend to two years or with fine which may extend to five lakh rupees, or with both, and in the case of a continuing contravention, with additional fine which may extend to fifty thousand rupees for every day during which such contravention continues after conviction for the first such contravention.”.

Substitution
of new
section for
section 30.

20. For section 30 of the principal Act, the following section shall be substituted, namely:—

Power of
revision by
Central
Government.

“30. The Central Government may, of its own motion or on an application made within the prescribed time by an aggrieved party, —

(a) revise any order made by a State Government or other authority in exercise of the powers conferred on it by or under this Act with respect to any mineral other than a minor mineral; or

(b) where no such order has been made by the State Government or other authority in exercise of the powers conferred on it by or under this Act with respect to any mineral other than a minor mineral within the time prescribed therefor, pass such order as it may think fit and appropriate in the circumstances:

Provided that in cases covered by clause (b) the Central Government shall, before passing any order under this clause, give an opportunity of being heard or to represent in the matter.”.

21. After section 30A of the principal Act, the following sections shall be inserted, namely:—

Insertion of new sections 30B and 30C.

“30B. (1) The State Government may, for the purposes of providing speedy trial of offences for contravention of the provisions of sub-section (1) or sub-section (1A) of section 4, constitute, by notification, as many Special Courts as may be necessary for such area or areas, as may be specified in the notification.

Constitution of Special Courts.

(2) A Special Court shall consist of a Judge who shall be appointed by the State Government with the concurrence of the High Court.

(3) A person shall not be qualified for appointment as a judge of a Special Court unless he is or has been a District and Sessions Judge.

(4) Any person aggrieved by the order of the Special Court may prefer an appeal to the High Court within a period of sixty days from the date of such order.

2 of 1974.

30C. Save as otherwise provided in this Act, the Code of Criminal Procedure, 1973, shall apply to the proceedings before the Special Court and for the purpose of the provisions of this Act, the Special Court shall be deemed to be a Court of Session and shall have all powers of a Court of Session and the person conducting a prosecution before the Special Court shall be deemed to be a public prosecutor.”.

Special Courts to have powers of Court of Session.

22. In the principal Act, in the First Schedule, for the figures and brackets “8(2)”, the figures, brackets, letters and word “8(1), 8A(1), 10A, 10B(1), 10C(1), 11(1), 11B, 11C, 12A(1), and 17A(2A)” shall be substituted.

Amendment of First Schedule.

23. In the principal Act, after the Third Schedule, the following Schedule shall be inserted, namely:—

Insertion of a new Schedule.

“THE FOURTH SCHEDULE

[See clause (ea) of section 3]

Notified Minerals

1. Bauxite.
2. Iron ore.
3. Limestone.
4. Manganese ore.”.

24. (1) If any difficulty arises in giving effect to the provisions of the Mines and Minerals (Development and Regulation) Amendment Act, 2015, the Central Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of the said Act, as appear to it to be necessary or expedient for removing the difficulty:

Power to remove difficulties.

Provided that no such order shall be made under this section after the expiry of a period of two years from the commencement of the said Act.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

Repeal and
savings.

25. (1) The Mines and Minerals (Development and Regulation) Amendment Ordinance, 2015, is hereby repealed.

Ord. 3 of
2015.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the corresponding provisions of the principal Act, as amended by this Act.

STATEMENT OF OBJECTS AND REASONS

The Mines and Minerals (Development and Regulation) Act, 1957 (MMDR Act) is the Central Act which governs the development and regulation of mines and minerals in terms of the powers vested in the Central Government. The provisions of the MMDR Act extend to the whole of India. State Governments have to regulate the mines and minerals in terms of the MMDR Act. The Act has been amended several times over the years, notably in 1972, 1986, 1994 and 1999.

2. To comprehensively amend the law governing the mineral sector with the Mines and Minerals (Development and Regulation) Bill, 2011 (MMDR Bill, 2011), was introduced in the Lok Sabha on 12-12-2011. Extensive consultations preceded the finalisation of the draft of the Bill. It was thereafter intensively scrutinised by the Standing Committee on Coal and Steel who gave their Report in May, 2013. However, the Bill could not be passed before the dissolution of the 15th Lok Sabha and consequently lapsed.

3. The mining sector has been subjected to numerous litigations in the past few years. Important judgments related to the mining sector have been pronounced by the Supreme Court, besides judgment on the issue of allocation of natural resources which have direct relevance to the grant of mineral concessions.

4. The present legal framework of MMDR Act, 1957, does not permit the auctioning of mineral concessions. Auctioning of mineral concessions would improve transparency in allocation. Government would also get an increased share of the value of mineral resources. Some provisions of the law relating to renewals of mineral concessions have also been found to be wanting in enabling quick decisions. Consequently, there has been a slowdown in the grant of new concessions and the renewal of existing ones. As a result, the mining sector started registering a decline in production affecting the manufacturing sector which largely depends on the raw material provided by mining sector. The Government has therefore felt it necessary to address the immediate requirements of the mining sector and also to remedy the basic structural defects that underlie the current impasse.

5. In view of the urgent need to address these problems, the Mines and Minerals (Development and Regulation) Amendment Ordinance, 2015 was promulgated on 12th January, 2015. The present Bill is to replace this Ordinance. This Bill is designed to put in place mechanism for:

- (i) Eliminating discretion;
- (ii) Improving transparency in the allocation of mineral resources;
- (iii) Simplifying procedures;
- (iv) Eliminating delay in administration, so as to enable expeditious and optimum development of the mineral resources of the country;
- (v) Obtaining for the Government an enhanced share of the value of the mineral resources of the country; and
- (vi) Attracting private investment and the latest technology;

6. The salient features of MMDR (Amendment) Bill, 2015 are as follows:

(i) Removal of discretion; auction to be sole method of allotment. The amendment seeks to bring in utmost transparency by introducing auction mechanism for the grant of mineral concessions. The tenure of mineral leases has been increased from the existing 30 years to 50 years. There is no provision for renewal of leases.

(ii) Impetus to the mining sector: The mining industry has been aggrieved due to the second and subsequent renewals remaining pending. In fact, this has led to

closure of a large number of mines. The Bill addresses this issue also. The Bill provides that mining leases would be deemed to be extended from the date of their last renewal to 31st March, 2030 (in the case of captive mines) and till 31st March, 2020 (for the merchant miners) or till the completion of the renewal already granted, if any, or a period of fifty years from the date of grant of such leave, whichever is later.

(iii) Safeguarding interest of affected persons: There is provision to establish District Mineral Foundation in the districts affected by mining related activities.

(iv) Encouraging exploration and investment: The Bill proposes to set up a National Mineral Exploration Trust created out of contributions from the mining lease holders, in order to have a dedicated fund for encouraging exploration in the country. Transfer of mineral concessions granted through auction will be permitted in order to encourage private investors.

(v) Simplification of procedures and removal of delay: The amendment removes the need for "previous approval" from the Central Government for grant of mineral concessions in case of important minerals like iron ore, bauxite, manganese, etc., thereby making the process quicker and simpler. Similarly, the State Governments will devise a system for filling of a mining plan obviating the need for prior approval of the Mining Plans by the Central Government. The Central Government will have revision powers in case State Governments fail to decide issues within the prescribed time.

(vi) Stronger provisions for checking illegal mining: In order to address the serious problem of illegal mining, the penal provisions have been made further stringent by prescribing higher penalties up to 5 lakh rupees per hectare and imprisonment up to 5 years. State Governments will now be able to set up Special Courts for trial of offences under the Act.

NARENDRA SINGH TOMAR.

NEW DELHI;
The 31st January, 2015.

FINANCIAL MEMORANDUM

The Bill seeks to amend the Mines and Minerals (Development and Regulation) Act, 1957 in order to develop country's mining sector to its full potential and to put the nation's mineral resources to the best use for national economic growth. The Bill, if enacted, is not likely to involve any recurring or non-recurring expenditure.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 8 of the Bill seeks to insert a new section 8A in the Mines and Minerals (Development and Regulation) Act, 1957 (hereinafter referred to as "the Act") and sub-section (8) of the said section empowers the Central Government to prescribe the period of mining leases, including existing mining leases, of Government companies or corporations.

2. Clause 10 of the Bill seeks to insert new sections 10A, 10B and 10C in the Act and clause 11 of the Bill seeks to substitute section 11 of the Act, respectively, and sub-clause (i) of clause (b) of sub-section (2) of section 10A; sub-section (3) of section 10B; and sub-section (10) of section 11 empower the Central Government to prescribe parameters of existence of mineral contents, terms and conditions, procedure and bidding parameters in respect of categories of minerals, size and area of mineral deposits and a State or States, subject to which the auction shall be conducted under sub-section (6) of section 10B and sub-section (7) of section 11.

3. Clause 12 of the Bill seeks to insert new sections 11B and 11C in the Act, and section 11B empowers the Central Government to make rules for regulating the grant of mining leases or other mineral concessions in respect of minerals specified in Part B of the First Schedule and for purposes connected therewith; section 11C empowers the Central Government to amend, by notification in the Official Gazette, the First Schedule and the Fourth Schedule.

4. Clause 13 of the Bill seeks to insert a new section 12A in the Act, and sub-section (2) of said section empowers the Central Government to prescribe the manner for transfer of a mining lease or a prospecting licence-cum-mining lease granted in accordance with the procedure laid down in section 10B or section 11.

5. Clause 14 of the Bill seeks to amend section 13 of the Act so as to empower the Central Government to make rules for carrying out the provisions of the proposed legislation. It enumerates the matters in respect of which such rules may be made. These matters shall include,— (a) parameters of existence of mineral contents under clause (a) of sub-section (2) of section 5; (b) the amount of payment to be made to the District Mineral Foundation under sub-section (4) of section 9B; (c) the manner of usage of funds accrued to the National Mineral Exploration Trust under sub-section (2) of section 9C; (d) the composition and functions of the National Mineral Exploration Trust under sub-section (3) of section 9C; (e) the manner of payment of amount to the National Mineral Exploration Trust under sub-section (4) of section 9C; (f) the terms and conditions subject to which mining leases shall be granted under sub-section (3) of section 10B; (g) the terms and conditions, and procedure, subject to which the auction shall be conducted including the bidding parameters for the selection under sub-section (5) of section 10B; (h) the time limits for various stages in processing applications for grant of mining lease or prospecting licence-cum-mining lease under sections 10B, 11, 11A, 11B, and section 17A, and their renewals; (i) the terms and conditions for grant of non-exclusive reconnaissance permits under sub-section (1) of section 10C; (j) the terms and conditions for grant of prospecting licence-cum-mining leases under sub-section (4) of section 11; (k) the terms and conditions, and procedure, including the bidding parameters for the selections under sub-section (6) of section 11; (l) the amount to be payable by a Government company or corporation, or a joint venture for grant of mining lease under sub-section (2C) of section 17A.

6. Clause 15 of the Bill seeks to amend section 15 of the Act so as to empower the State Government to make rules for carrying out the provisions of the proposed legislation. It enumerates the matter in respect of which such rules may be made. These matters shall include,— (a) the manner in which the District Mineral Foundation shall work under sub-section (2) of section 9B; (b) the composition and functions of the District Mineral

Foundation under sub-section (3) of section 9B; (c) the amount of payment to be made to the District Mineral Foundation by concession holders of minor minerals under section 15A.

7. The matters in respect of which rules may be made and notifications issued are matters of procedure and administrative detail and it is not practicable to provide for them in the proposed legislation itself. The delegation of legislative power is, therefore, of a normal character.

BILL NO. 20 OF 2015

A Bill further to amend the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013.

BE it enacted by Parliament in the Sixty-sixth Year of the Republic of India as follows:—

1. (1) This Act may be called the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Amendment) Act, 2015.

Short title
and
commence-
ment.

(2) It shall be deemed to have come into force on the 31st day of December, 2014.

30 of 2013.

2. In the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (hereinafter referred to as the principal Act), for the words "private company" wherever they occur, the words "private entity" shall be substituted.

Substitution
of certain
expression
throughout
Act.

3. In the principal Act, in section 2,—

Amendment
of section 2.

(i) in sub-section (1), in clause (b), in sub-clause (i), the words "private hospitals, private educational institutions and" shall be omitted;

(ii) in sub-section (2), after the second proviso, the following proviso shall be inserted, namely:—

"Provided also that the acquisition of land, for the projects listed in section 10A and the purposes specified therein, shall be exempted from the provisions of the first proviso to this sub-section."

Amendment
of section 3.

4. In the principal Act, in section 3,—

(i) in clause (j), in sub-clause (i), for the words and figures "the Companies Act, 1956", the words and figures "the Companies Act, 2013" shall be substituted;

1 of 1956.
18 of 2013.

(ii) after clause (y), the following clause shall be inserted, namely:—

'(yy) "private entity" means any entity other than a Government entity or undertaking and includes a proprietorship, partnership, company, corporation, non-profit organisation or other entity under any law for the time being in force.'

Insertion of
new Chapter
IIIA.

5. In the principal Act, after Chapter III, the following Chapter shall be inserted, namely:—

"CHAPTER IIIA

PROVISIONS OF CHAPTER II AND CHAPTER III NOT TO APPLY TO CERTAIN PROJECTS

Power of
appropriate
Government
to exempt
certain
projects.

10A. The appropriate Government may, in the public interest, by notification, exempt any of the following projects from the application of the provisions of Chapter II and Chapter III of this Act, namely:—

(a) such projects vital to national security or defence of India and every part thereof, including preparation for defence or defence production;

(b) rural infrastructure including electrification;

(c) affordable housing and housing for the poor people;

(d) industrial corridors; and

(e) infrastructure and social infrastructure projects including projects under public-private partnership where the ownership of land continues to vest with the Government."

Amendment
of section 24.

6. In the principal Act, in section 24, in sub-section (2), after the proviso, the following proviso shall be inserted, namely:—

"Provided further that in computing the period referred to in this sub-section, any period or periods during which the proceedings for acquisition of the land were held up on account of any stay or injunction issued by any court or the period specified in the award of a tribunal for taking possession or such period where possession has been taken but the compensation lying deposited in a court or in any account maintained for this purpose shall be excluded."

Amendment
of section 46.

7. In the principal Act, in section 46, in sub-section (6), in the *Explanation*, in clause (b), the words "any person other than" shall be omitted.

Substitution
of new
section for
section 87.

8. In the principal Act, for section 87, the following section shall be substituted, namely:—

Offences by
Government
officials.

"87. Where an offence under this Act has been committed by any person who is or was employed in the Central Government or the State Government, as the case may be, at the time of commission of such alleged offence, no court shall take cognizance of such offence except with the previous sanction of the appropriate Government, in the manner provided in section 197 of the Code of Criminal Procedure, 1973."

2 of 1974.

Amendment
of section
101.

9. In the principal Act, in section 101, for the words "a period of five years", the words "a period specified for setting up of any project or for five years, whichever is later," shall be substituted.

10. In the principal Act, in section 105,—Amendment
of section
105.

(i) for sub-section (3), the following sub-section shall be substituted, namely:—

"(3) The provisions of this Act relating to the determination of compensation in accordance with the First Schedule, rehabilitation and resettlement in accordance with the Second Schedule and infrastructure amenities in accordance with the Third Schedule shall apply to the enactments relating to land acquisition specified in the Fourth Schedule with effect from 1st January, 2015."

(ii) sub-section (4) shall be omitted.

11. In the principal Act, in section 113, in sub-section (1),—Amendment
of section
113.

(i) for the words "the provisions of this Part", the words "the provision of this Act" shall be substituted;

(ii) in the proviso, for the words "a period of two years", the words "a period of five years" shall be substituted.

Ord. 9 of
2014.**12.** (1) The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Amendment) Ordinance, 2014, is hereby repealed.Repeal and
saving.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under the principal Act, as amended by this Act.

STATEMENT OF OBJECTS AND REASONS

The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 (herein referred to as the Fair Compensation in Land Acquisition Act) was enacted to provide for just and fair compensation to the owners of the land and affected families for the land acquisitions made under the said Act and the 13 Acts specified in the Fourth Schedule, which makes provisions for acquisition of land for the purposes specified in the respective Acts, in terms of the provisions made in the First, Second and Third Schedule to the Fair Compensation in Land Acquisition Act. In other words, the benefits of the compensation, rehabilitation and resettlement provided in the Fair Compensation in Land Acquisition Act is proposed to be extended in cases of land acquisition made under the Acts specified in the Fourth Schedule.

2. As the Parliament was not in session and immediate action was required to be taken by the Central Government to make applicable the provisions relating to compensation, rehabilitation and resettlement of Fair Compensation in Land Acquisition Act to the thirteen Acts mentioned in the Fourth Schedule and to expedite the process of land acquisition, for the purposes given in succeeding paragraph and to carry out certain other amendments, an Ordinance, namely, the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Amendment) Ordinance, 2014 (Ord. 9 of 2014) was promulgated on 31st December, 2014.

3. With a view to expedite the process of land acquisition for strategic and development activities, such as, national security or defence of India including preparation for defence and defence production; rural infrastructure including electrification; affordable housing and housing for poor; industrial corridors; infrastructure and social infrastructure projects including projects under public-private partnership where the ownership of the land continues to vest with the Government, it is proposed to continue with the 'Consent' clause provided under sub-section (2) of section 2 of the Fair Compensation in Land Acquisition Act in case of the acquisitions provided in the Act except in cases provided above. Further to ensure the growth and development of the country, while safeguarding the welfare of farmers, it is proposed to empower the appropriate government to exempt them from 'Social Impact Assessment' and 'Special Provisions for Safeguarding Food Security' provisions of the Fair Compensation in Land Acquisition Act.

4. Under Fair Compensation in Land Acquisition Act, the land may be acquired for public purpose. In order to ensure better health and educational facilities in the country, it is proposed to include private hospitals and private educational institutions within the ambit of the 'public purpose'.

5. It is proposed to make consequential amendment by substituting the 'Companies Act, 1956' with the 'Companies Act, 2013' where the word 'Company' has been defined. At present, the provisions of the Fair Compensation in Land Acquisition Act extend to 'private company' thereby excluding others like public company, proprietorship, partnership, nonprofit organisation, etc. Therefore, in place of the term 'private company', the term 'private entity' is proposed to be substituted and defined accordingly.

6. It is proposed to exclude all such period, that is the period during which the proceeding for acquisition of the land have been held up on account of any stay or injunction issued by any court, or the period specified in the award of a Tribunal for taking possession or such period where possession has been taken but the compensation is lying deposited in a court or in any account maintained for this purpose, in calculation of five years period as specified in sub-section (2) of section 24 of the Fair Compensation in Land Acquisition Act, arising out of the Land Acquisition Act, 1894.

7. Section 46 is proposed to be modified so that the rehabilitation and resettlement benefits are available to land owners in case of purchase of land through private negotiations by non-Governmental entities.

8. Section 87 is proposed to be amended so that action against an official of the Government will be taken as per section 197 of the Code of Criminal Procedure.

9. Section 101 which deals with return of unutilised land is being amended to increase the period after which unutilised land will be reverted back to land owner or to Land Bank from 'five years' at present to 'a period specified for setting up of any project or for five years whichever is later'.

10. In section of the 113 of the Fair Compensation in Land Acquisition Act, the word 'Part' has been inadvertently used instead of the word 'Act' which needs to be rectified. Further, the period provided for removal of difficulties is being extended to five years.

11. The Bill proposes to replace the Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (Amendment) Ordinance, 2014 (Ord. 9 of 2014).

NEW DELHI;

BIRENDER SINGH.

The 16th February, 2015.

ANOOP MISHRA
Secretary General